



Request for City Council Committee Action From the Department of Public Works

Date: September 25, 2012

To: Honorable Sandra Colvin Roy, Chair Transportation & Public Works Committee

Subject: **Contract Amendment with Heitkamp, Inc. for Cast Iron Water Mains
Cleaning and Lining**

Recommendation:

Authorize proper City officers to amend contract C-30080 with Heitkamp, Inc. by adding \$55,867.30 for a new contract total of \$1,273,709.90 for cleaning and lining cast iron water mains. Funds are available in the current budget and no additional appropriation is needed.

Previous Directives:

- May 13, 2011: Passage of a Resolution accepting bid: (OP #7438) low bid of Heitkamp, Inc. for Cleaning and Lining of Cast Iron Water Mains through 2012.
- May 11, 2012: Passage of a Resolution to amend contract C-30080 with Heitkamp, Inc. by \$500,000 for a new contract total \$1,217,842.60 for cleaning and lining of cast iron water mains.

Prepared by: Robert Ervin, Senior Engineer, 673-5509

Approved by:

Steven A. Kotke, P.E., City Engineer, Director of Public Works

Presenters: Robert Ervin, Department of Public Works, Water Treatment and Distribution

Reviews

Permanent Review Committee (PRC)	Approval: Not Applicable
Civil Rights Approval	Approval: Not Applicable
Policy Review Group (PRG)	Approval: Not Applicable

Financial Impact

Action is within the Business Plan.

Community Impact

Neighborhood Notification: Not Applicable.
City Goals: A Safe Place to Call Home – Healthy homes, welcoming neighborhoods.
Comprehensive Plan: Not Applicable.
Zoning Code: Not Applicable.

Background/Supporting Information

The Public Works Water Treatment & Distribution Division performs annual cleaning and lining of water mains, a rehabilitation process for old, unlined water mains. Approximately 750 miles of the 1,000 mile water distribution system is comprised of old cast iron water mains that are 50 to 100+ years old. At the time these mains were installed the pipe interior was not lined. As a result, years of mineral deposits have reduced the functional pipe diameter. At times mineral deposits go into suspension causing rusty water. This project is to remove the years of rust accumulation and install a thin cement liner to prevent build up from recurring in the future. This work is funded as part of WTR12 Water Distribution Improvements in the approved Capital Improvement Program.

The Cleaning and Lining project is planned yearly to rehabilitate roughly 10 miles of water main. Additionally, the City of Minneapolis is partnering with the City of Columbia Heights to clean and line one mile of their mains per year with reimbursement from Columbia Heights for the work. This work is very specialized and therefore the cleaning and lining must be contracted out.

On May 13, 2011, the City Council and Mayor awarded the bid for Cleaning and Lining of Cast Iron Water Mains to Heitkamp, Inc. for the amount of \$717,842.60 for 2011. The contract duration is for the calendar years 2011 and 2012, with an option to extend the contract an additional two years. The budget is set annually based on the expected quantity of work. The contract was amended on May 11, 2012 for an additional \$500,000 of work, which was estimated for the calendar year 2012. The cost for actual work for 2012 came to \$555,867.30 including \$62,277.75 of work performed for Columbia Heights. The increase to the contract of \$55,867.30 is needed to make final payment to Heitkamp prior to reimbursement from Columbia Heights.

CC: Gary Warnberg